

SENATE BILL 756

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2004 Regular Session
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CF 4lr2252

By: ~~Senator Middleton~~ **Senators Middleton, Della, Exum, Gladden, Hafer,
Kelley, Klausmeier, Pipkin, and Teitelbaum**

Introduced and read first time: February 11, 2004

Assigned to: Rules

Re-referred to: Finance, February 18, 2004

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 29, 2004

CHAPTER _____

1 AN ACT concerning

2 **Maryland Medical Assistance Program - Carve-Out of Specialty Mental**
3 **Health Services**

4 FOR the purpose of ~~requiring~~ prohibiting the Secretary of Health and Mental
5 Hygiene ~~to exclude from ending the exclusion of~~ specialty mental health services
6 from the program requiring Medical Assistance Program recipients to enroll in
7 managed care organizations without certain approval; ~~repealing the authority of~~
8 ~~the Department to contract~~ prohibiting the Department of Health and Mental
9 Hygiene from contracting with a behavioral managed care organization to
10 provide specialty mental health services without certain approval; and generally
11 relating to specialty mental health services and the Medical Assistance
12 Program.

13 ~~BY repealing and reenacting, without amendments,~~
14 ~~Article Health General~~
15 ~~Section 15-103(a)(1) and (b)(1) and (5)~~
16 ~~Annotated Code of Maryland~~
17 ~~(2000 Replacement Volume and 2003 Supplement)~~

18 ~~BY repealing and reenacting, with amendments,~~
19 ~~Article Health General~~
20 ~~Section 15-103(b)(4) and (21)~~
21 ~~Annotated Code of Maryland~~
22 ~~(2000 Replacement Volume and 2003 Supplement)~~

1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
 2 MARYLAND, That ~~the Laws of Maryland read as follows: ,without the legislative~~
 3 ~~approval of the General Assembly:~~

4 (a) ~~the Secretary of Health and Mental Hygiene may not end the exclusion of~~
 5 ~~specialty mental health services from the program requiring Medical Assistance~~
 6 ~~Program recipients to enroll in managed care organizations; and~~

7 (b) ~~the Department of Health and Mental Hygiene may not contract with a~~
 8 ~~behavioral managed care organization to provide specialty mental health services.~~

9 **~~Article – Health – General~~**

10 ~~15-103.~~

11 (a) (1) ~~The Secretary shall administer the Maryland Medical Assistance~~
 12 ~~Program.~~

13 (b) (1) ~~As permitted by federal law or waiver, the Secretary may establish a~~
 14 ~~program under which Program recipients are required to enroll in managed care~~
 15 ~~organizations.~~

16 (4) (i) ~~The Secretary may exclude specific populations or services from~~
 17 ~~the program developed under paragraph (1) of this subsection.~~

18 (H) ~~THE SECRETARY SHALL EXCLUDE SPECIALTY MENTAL HEALTH~~
 19 ~~SERVICES FROM THE PROGRAM DEVELOPED UNDER PARAGRAPH (1) OF THIS~~
 20 ~~SUBSECTION.~~

21 [(ii)] (H) ~~For any populations or services excluded under this~~
 22 ~~paragraph, the Secretary may authorize a managed care organization, to provide the~~
 23 ~~services or provide for the population, including authorization of a separate dental~~
 24 ~~managed care organization or a managed care organization to provide services to~~
 25 ~~Program recipients with special needs.~~

26 (5) (i) ~~Except for a service excluded by the Secretary under paragraph~~
 27 ~~(4) of this subsection, each managed care organization shall provide all the benefits~~
 28 ~~required by regulations adopted under paragraph (2) of this subsection.~~

29 (ii) ~~For a population or service excluded by the Secretary under~~
 30 ~~paragraph (4) of this subsection, the Secretary may authorize a managed care~~
 31 ~~organization to provide only for that population or provide only that service.~~

32 (iii) ~~A managed care organization may subcontract specified~~
 33 ~~required services to a health care provider that is licensed or authorized to provide~~
 34 ~~those services.~~

35 (21) (i) ~~The Department shall establish a delivery system for specialty~~
 36 ~~mental health services for enrollees of managed care organizations.~~

- 1 (ii) The Mental Hygiene Administration shall:
- 2 1. Design and monitor the delivery system;
- 3 2. Establish performance standards for providers in the
4 delivery system; and
- 5 3. Establish procedures to ensure appropriate and timely
6 referrals from managed care organizations to the delivery system that include:
- 7 A. Specification of the diagnoses and conditions eligible for
8 referral to the delivery system;
- 9 B. Training and clinical guidance in appropriate use of the
10 delivery system for managed care organization primary care providers;
- 11 C. Preauthorization by the utilization review agent of the
12 delivery system; and
- 13 D. Penalties for a pattern of improper referrals.
- 14 (iii) The Department shall collaborate with managed care
15 organizations to develop standards and guidelines for the provision of specialty
16 mental health services.
- 17 (iv) The delivery system shall:
- 18 1. Provide all specialty mental health services needed by
19 enrollees;
- 20 2. For enrollees who are dually diagnosed, coordinate the
21 provision of substance abuse services provided by the managed care organizations of
22 the enrollees;
- 23 3. Consist of a network of qualified mental health
24 professionals from all core disciplines;
- 25 4. Include linkages with other public service systems; and
- 26 5. Comply with quality assurance, enrollee input, data
27 collection, and other requirements specified by the Department in regulation.
- 28 (v) [The Department may contract with a managed care
29 organization for delivery of specialty mental health services if the managed care
30 organization meets the performance standards adopted by the Department in
31 regulations.
- 32 (vi)} The provisions of § 15-1005 of the Insurance Article apply to the
33 delivery system for specialty mental health services established under this paragraph
34 and administered by an administrative services organization.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 June 1, 2004.